Remarks of the Honorable Michael B. Donley Secretary of the Air Force Air Force Association Global Warfare Symposium Friday, November 16, 2012 As Prepared for Delivery

<u>Introduction</u>

Chairman Muellner, thank you for that kind introduction and for the warm welcome. It's great to be with you again. I especially appreciate everyone for being here on a Friday afternoon in sunny Los Angeles.

On behalf of the 690,000 Total Force Airmen I am privileged to represent, I want to thank the Air Force Association – Chairman George Muellner; President Craig McKinley; Vice President Dick Newton; and the entire AFA team¹ – for organizing this event and inviting me to participate. The AFA has been a constant friend to America's Airmen and a steadfast advocate for Airpower. We can't thank you enough for your support.

As advertised, today I will address the headline topic of this conference – rebalance to the Pacific. Since the release of the President's Defense Strategic Guidance last January, the document's reference to the security and prosperity of the Asia-Pacific region has generated much interest, and the subject seems especially apropos for a symposium here on America's west coast.

I also appreciate the opportunity to provide an update on the state of the Air Force and on the state of play in Washington as the House and Senate return for the final weeks of the 112th Congress and the federal government moves closer to the start date of sequestration as mandated by the Budget Control Act.

Even for those who have been through the sine wave of previous budget cycles, recent budget debates have delivered more than their share of ups and downs, providing suspense worthy of the best Hollywood cliffhanger. The next installment of our Nation's fiscal deliberations continues this month as, even today, efforts have resumed to reach a budget agreement to avert the automatic cuts imposed by sequestration.

As policymakers in Washington press on in these debates, it is only right to be mindful of the Airmen, Soldiers, Sailors, and Marines who are faithfully carrying out their duties at home and abroad, protecting the freedoms that make unfettered political debate possible and allow our democratic institutions to function as the Framers intended. The selfless service of the men and women who wear our Nation's cloth must never be taken for granted.

U.S. Interests in the Asia-Pacific Region

To start, let's ask the obvious question – why is the Asia-Pacific region important? First, it's critical to dispel the myth that this dynamic and diverse region was ever thought to be unimportant. As a Pacific power, the U.S. has substantial strategic and commercial interests in the region.

From a strategic standpoint, the U.S. is party to five mutual defense treaties with countries in the region – Australia, Thailand, Japan, South Korea, and the Philippines. In addition, the region is home to the world's six largest militaries, the top four also being nuclear powers – the U.S., China, Russia, India, South Korea, and North Korea.

This region has its share of transnational threats, including terrorism, piracy, drug trafficking, and weapons proliferation, all of which pose risks to peace and stability.

Beyond man-made threats, natural disasters such as tsunamis, earthquakes, and typhoons cause widespread damage in the Asia-Pacific every year, creating urgent and time-sensitive demands for humanitarian assistance and disaster relief.

From a commercial standpoint, the U.S. has increasing economic interests as the Asia-Pacific continues to be a growing global economic force. To illustrate, consider the Asia-Pacific Economic Cooperation group, or APEC, the primary trade and investment forum in the region. APEC's 21

member economies account for approximately 40 percent of the world's population, 55 percent of world gross domestic product, and about 44 percent of world trade. Seven of America's top 15 trading partners are APEC members. In 2010, Los Angeles ports and airports handled \$105 billion worth of exports, nearly two-thirds of which were destined for countries in the Asia-Pacific.

With these factors in mind, it's easy to understand why Secretary of State Hillary Clinton has said, "America's future is linked to the future of the Asia-Pacific region."

Defense Strategic Guidance

Of course, a great deal of interest in U.S. policy regarding the Asia-Pacific emerged following last January's release of the new Defense Strategic Guidance, a policy document developed in concert with the President, the Secretary of Defense, the Joint Chiefs, and the Services. The new Strategic Guidance explicitly states that "...as we end today's wars, we will focus on a broader range of challenges and opportunities, including the security and prosperity of the Asia-Pacific." The Strategic Guidance also makes clear that "...while the U.S. military will continue to

contribute to security globally, we will of necessity rebalance toward the Asia-Pacific region."

Because we live in a world of finite resources, in hindsight we can speculate that our Nation might have devoted greater attention to the Asia-Pacific region if urgent requirements in Afghanistan and Iraq had not intervened. For more than a decade, operations in Afghanistan and Iraq and countering terrorist threats in the greater Middle East have been top priorities demanding our focus, and rightly so.

But with the end of operations in Iraq, and with the transition of operations in Afghanistan underway, the Defense Strategic Guidance takes a fresh look at our Nation's global strategic interests, emphasizing the Asia-Pacific and the Middle East while still ensuring our ability to maintain our defense commitments to Europe, and strengthening alliances and partnerships in all regions. It envisions a Joint force for the future that will be smaller and leaner, but will be agile, flexible, ready, and technologically advanced.

What the Asia-Pacific Rebalance Means for the Air Force

So, what does rebalance toward the Asia-Pacific mean for the Air Force? What role will our Service play?

For the Air Force, rebalance will build upon a long history of presence in the Pacific, a history that includes innovative World War II Airmen whose island-hopping strategy – evading the enemy while establishing critical airfields to extend our reach – demonstrated to great effect the advantages airpower can provide.

Many of World War II's island-hopping campaigns across the Pacific, in which Soldiers and Marines fought so hard and sacrificed so much, were fought over control of airfields. And as these battles raged, the U.S. Army Air Forces were developing the first truly long-range heavy bomber and the U.S. Navy was perfecting the carrier-based air operations that would become a central feature of today's Navy.

Although geography and distance are enduring challenges in this region, these are challenges that airpower is particularly well-suited to meet. The rebalance to the Asia-Pacific provides an opportunity for the Air Force to leverage the unique characteristics of airpower – range and speed – in an area of responsibility spanning more than 100 million square miles and 15 time zones.

Currently, the Pacific Air Forces (PACAF) hosts more than 43,000 Airmen at nine major air bases. Approximately 60 percent of the Air Force's permanent forces outside the continental United States are

stationed in the Asia-Pacific, providing Pacific Command (PACOM) with the full-spectrum capabilities that define the Air Force's enduring contributions: air and space control; global intelligence, surveillance, and reconnaissance (ISR); global mobility; and global strike; all of which are integrated by our unsurpassed command and control. And because of the nature of air, space, and cyber, our Service can provide additional *Global Vigilance, Global Reach, and Global Power* from anyplace on the globe.

With respect to force structure, we are well-postured to overcome the vast distances we face in PACOM. For example, the 5th Air Force in Japan presents a wide range of combat power, including air-to-air, suppression of enemy air defenses, air refueling, airlift, and combat search and rescue platforms from Misawa, Yokota, and Kadena Air Bases.

The Air Force is also prioritizing the Asia-Pacific for some of our most capable modern systems. The only fifth-generation F-22 squadrons permanently based outside of the continental United States are located in Hawaii and Alaska, and when combined with state-side deployed units, nearly 60 percent of the Air Force's combat-coded F-22s are located within the Asia-Pacific. In addition, the first overseas base scheduled to permanently station the next-generation F-35 Joint Strike Fighter will be in the PACOM area of responsibility.

Furthermore, rebalance means the Air Force will continue to invest in and modernize the capabilities needed to project power and operate in the Asia-Pacific. Additional investments and modernization efforts include:

- The Long-Range Strike Family of Systems. Replacing the Air Force's aging bomber fleet, the Long-Range Strike Bomber and associated systems will ensure the U.S. retains its ability to hold any target at risk, anywhere in the world.
- The KC-46A aerial refueling tanker, which also replaces aging legacy aircraft, provides the linchpin of intercontinental power projection to all Joint and coalition aircraft.
- Improved precision munitions, which underpin the Air Force's air-toair and air-to-ground strike capabilities.
- Satellite programs, which also provide essential global capabilities.

 Beyond physical presence, the Air Force is working to modernize critical enablers for Joint Force efforts, including space-based ISR, precision navigation and timing, and communications capabilities.

 The Air Force is ensuring that our space architecture, upon which Joint, interagency, and coalition forces depend, will continue to evolve toward more resilient constellations.

- Investment in readiness to ensure our preparedness to execute fullspectrum operations.
- And a commitment to R&D and S&T investment at levels that will provide seed corn for future modernization.

Beyond force posture and systems development, the Air Force is also designing and implementing innovative new concepts to address the region's increasingly complex security challenges. Two pillars of these efforts are:

- The Air-Sea Battle Concept (ASB), which will develop integrated air and naval forces to counter anti-access/area denial (A2/AD) threats to the global commons.
- And the development concepts and material capabilities to improve
 Forward Air Base Operations, elements of which include refinement
 of our strategy, improvements to threat warning capabilities, basing
 arrangements, and defensive measures.

Engagement with Allies and Partners

U.S. interests in the Asia-Pacific are bolstered by a number of longstanding alliances in the region. Our bases in Alaska, Hawaii, and Guam are critical to protecting U.S. territory and defending our interests, and our steady forward presence in the Republic of Korea and Japan has deterred conflict and promoted a stable and secure environment in which all nations in the Asia-Pacific region have prospered.

Maintaining close relationships with long-standing allies, such as Australia, and seeking to build stronger ties with emerging powers such as India, the world's largest democracy and one of its fastest growing economies, are also vital. With the rebalance, engagement with allies and partners is a fundamental priority. Effective alliances and partnerships are essentially a force multiplier, which is particularly important in a region as geographically vast as the Asia-Pacific.

Moving forward, the Air Force will work with regional allies and partners to adjust the type and numbers of Pacific-based platforms, munitions, and components of global posture to best meet the PACOM commander's requirements.

Our continuous bomber presence and theater security package rotations will continue, but we also plan to work with our allies and partners to increase our rotational presence. The bumper sticker slogan you may have heard is "places, not bases." An example of this approach to increasing presence includes the recent Marine Corps and Air Force rotations to Darwin, Australia.

We are also committed to long-term relationships in the region that build partnership capacity among our allies and partners. Twenty-two Air Force and 19 Joint exercises, such as RED FLAG-Alaska hosted by the U.S. and TALISMAN SABRE, COBRA GOLD, and KEEN SWORD hosted by our partner nations, help promote regional security and provide valuable training opportunities that are highly valued by U.S. Airmen and partner nation airmen alike. International officer exchanges, mil-to-mil engagements, and foreign military sales also play an important role in building partnership capacity and fostering relationships that endure over time.

Beyond military engagement, however, our multinational working relationships prove invaluable when natural disasters strike and we are properly positioned to provide humanitarian assistance and disaster relief. The importance of this capability and our willingness to respond when such tragedies occur has been seen time and again, most recently following the 2011 earthquake and tsunami in Japan with Operation TOMODACHI, but also following last year's floods in Thailand, and our relief to Pakistan after that country's devastating floods in 2010.

In the midst of considerable fiscal challenges, we are not reducing our presence; we are proceeding with programs with range and other

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capabilities well-suited to this region; and we are strengthening alliances and building new partnerships.

Although this really just scratches the surface of our efforts, I hope that you get a sense of the Air Force's central involvement in DoD's rebalance to the Asia-Pacific, and our commitment to get this right, working with our Joint, interagency, and international partners.

Budget Priorities and Sequestration

As I wrap up, I just want to say a few words about the status of the federal budget. Because crafting the federal and DoD budgets is a continuous process, we know the days ahead will call for us to fine tune our strategic decisions as we follow through on FY13 and FY14 budget planning and execution. But as the defense budget works its way through Congress, the Air Force will stand firm on our strategic choices: trading size to maintain a quality force, and staying focused on readiness and modernization.

While there is little disagreement that the Air Force must maintain readiness and modernize, there is real resistance to divesting force structure. It is understandably difficult to accept reductions that affect individual communities, but it is not possible to avoid real impacts when

programming the \$487 billion in defense reductions required by the Budget Control Act.

Over the past few months, the Total Air Force leadership team, active, Guard, and Reserve has been discussing a potential compromise for FY13 that adjusts and restores personnel and capabilities originally proposed for reduction, while allowing some retirements and other force structure changes to proceed. We are discussing this compromise with the Adjutants General and others and hope to gain sufficient support prior to completion of the FY13 defense bills.

But beyond these challenges, the threat of sequester overhangs all budget decisions across the federal government. We have less than a month and a half before sequester is set to go into effect, a "meat-ax approach" which would drive additional reductions of approximately \$55 billion to FY13 defense accounts.

As we move closer to the January 2013 deadline, concern about the consequences of sequester continues to grow: this is not a responsible way to achieve deficit reduction. These additional and arbitrarily applied across-the-board cuts would leave the military without a workable strategy to counter global threats. Sequestration would drive an additional budget

reduction of nearly 10 percent above the first phase of cuts imposed by the Budget Control Act, and reduce Air Force funding to FY04 levels.

Cuts to operations and maintenance would reduce flying hours and weapon systems sustainment, curtail training, and shrink the civilian workforce. Procurement cuts would force program reductions and restructuring in the investment portfolio.

Secretary Panetta and the DoD leadership team have broadly communicated our concerns about the dangers inherent in sequestration. There is great uncertainty in today's security environment, but these matters at least are under our control and should be resolved. We need Congress to de-trigger the Budget Control Act's sequester provisions before the end of this year. And now that we are past the elections, we remain hopeful and stand ready to work with Congress on the way forward to avoid a hollow force.

Conclusion

November is a busy month full of meaningful events in our Nation's civic life. We successfully conducted elections at the local, state, and federal level, which was quickly followed by Veterans Day, and Thanksgiving will be upon us next week. Each of these special days is a reminder of our good fortune as Americans – we enjoy the right to select

our leaders and shape our government at the ballot box; we are protected by selfless and dedicated men and women in uniform, all of whom have sacrificed and some have given all, to protect our democratic freedoms; and we are thankful for the blessings that have been secured for our citizens from generation to generation.

Many Airmen and other members of our military community are serving our country on deployments far from home. Other Americans in our communities – those dealing with the aftermath of Superstorm Sandy and the Nor'easter that followed, for example – are experiencing hardship. We are proud that our Total Force Airmen – active, Guard, and Reserve – and other service members have been able to contribute to the recovery and response efforts, along with the tireless work of so many residents in the path of the storm, public safety and emergency response workers, and other generous volunteers. I know you join me in keeping them all in our thoughts and prayers this Thanksgiving and every day.

To AFA, again let me thank you for hosting this symposium and for all you do to educate and inform America about the issues confronting our Air Force and our Nation. Your tireless efforts help ensure that the air, space, and cyber capabilities of the United States Air Force, powered by Airmen and driven by innovation, are ready to defend America, whatever the

challenges ahead. It is an honor to serve with you in the world's finest Air Force.

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